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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Office of the City Auditor
Seattle, Washington

We have applied the procedures enumerated within this report, which were agreed to by the Office of the City Auditor, solely to assist the users in evaluating management's assertion about the Filipino Community of Seattle's compliance with contractual requirements of the on-going Pacific Asian Elderly Nutrition Program Grant issued by the Seattle Department of Housing & Human Services, Division of Aging. This agreed upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described therein either for the purpose for which this report has been requested or for any other purpose.

Our procedures were to visit the Pacific Asian Elderly Nutrition Program at the Filipino Community Center on November 25, 1997 to determine:

1. If each participant is on file with the appropriate recorded information.
2. If a volunteer sign-up sheet is available and is/has been used.
3. If a food control sheet is available and is/has been used.
4. If a donation policy exists, is it being followed, and does it comply with the terms of the grant.
5. If there are adequate internal controls for handling donation money, (receipt and expenditure).
6. If ineligible meal consumers are paying the full cost of the meal.

Two reportable condition was noted during our review which related to Procedure Number 4 and 6. Details on both finding are attached to this report. No additional reportable conditions were noted as a result of applying the agreed upon procedures.

These agreed-upon procedures do not constitute an examination, the objective of which is the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information of the specified users listed above and should not be used by those who did not participate in determining the procedures. However, this report is a matter of public record and its distribution is not limited.

Seattle, Washington

Kraght Snell
11/26/97

Contract: Pacific Asian Elderly Nutrition Program

City Department: Department of Housing & Human Services/Division of Aging

Finding Title: A written policy regarding client donations does not exist

Contract Requirement

Exhibit A-2, Pages 4 and 5 of the Pacific Asian Elderly Nutrition Program contract state:

"The Agency will maintain a written policy regarding client donations toward the cost of congregate meals. The Agency will provide an opportunity for each participant to donate all or part of the cost of meals served in the nutrition program. Participants will be informed at intake of their right to donate to the program as well as their right to obtain meals without making a donation....The agency will ensure that all donations from participants may be made in a confidential manner. Signs which clearly explain the suggested donation policy must be publicly posted at the meal site."

Condition

The volunteers and program participants were unaware of the donation policy requirement. From our interviews and the lack of posted signs, it appears a written policy does not exist. In addition, all meal consumers (eligible and ineligible) paid \$1.50 and were given a meal ticket.

Recommendation

A donation policy should be written and clearly posted. The policy should be in compliance with Exhibit A-2 of the contract.

The Department of Aging should visit the Filipino Community's meal service on yearly basis to monitor compliance with the policy.

Response from Filipino Community of Seattle and the Pacific Asian Elderly Program

To be provided directly to the City Auditor's Office.

Response from Division of Aging

To be provided directly to the City Auditor's Office.

Contract: Pacific Asian Elderly Nutrition Program

City Department: Department of Housing & Human Services/Division of Aging

Finding Title: Ineligible Meal Consumers are receiving free meals or only paying \$1.50 per meal

Contract Requirement

Exhibit A-2, Page 5 of the Pacific Asian Elderly Nutrition Program contract states:

"Ineligible participants for the program who consume a meal will pay the full cost of the meal, plus sales tax, as indicated in Exhibit B. The agency will not invoice the City for the cost of meals consumed by non-program participants."

An eligible participant is defined in Exhibit A-1 as:

"Congregate Meals provides nutritionally sound and satisfying hot meals to Filipino, Laotian, H'Mong elderly persons, 60 years of age or older in a group setting.

Emergency Meals provide nutritionally sound and satisfying hot meals for low-income Filipino and other Pacific Asian persons, under 60 years of age, who are mostly persons in the process of socially adjusting themselves to a new culture, in a group setting."

Condition

The Filipino Community stated that they provide a meal to any person who pays \$1.50. This statement is supported by our observation on November 25, 1997. Several of the meal consumers were clearly not in one of the above categories. In addition, complementary meals are provided to Community volunteers. The City is being billed for the consumption of ineligible participant's meals and the complementary meals.

Recommendation

Ineligible meal consumers should pay the full cost of the meal as specified in the grant contract. Records should be maintained to support the number of ineligible meals served and the money collected. The City should not be billed for these meals.

The Department of Aging should visit the Filipino Community's meal service on yearly basis to monitor compliance with eligibility requirements.

Response from Filipino Community of Seattle and the Pacific Asian Elderly Program

To be provided directly to the City Auditor's Office.

Response from Division of Aging

To be provided directly to the City Auditor's Office.